

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
NORTHERN DIVISION**

JOHNS HOPKINS UNIVERSITY

3400 N. Charles Street
Garland Hall 113
Baltimore, Maryland 21218

Case No.: _____

Plaintiff,

v.

MDXHEALTH

15279 Alton Parkway
Suite 100
Irvine, California 92618

Defendant,

Serve On:

The Corporation Trust Company

Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

Registered Agent

and

Miriam Reyes

15279 Alton Parkway
Suite 100
Irvine, California 92618

Registered Agent.

COMPLAINT

Plaintiff The Johns Hopkins University (“JHU” or the “University”), for its Complaint against defendant MDxHealth, Inc. (“MDxHealth”) states as follows:

NATURE OF CLAIM

1. This civil action arises out of a breach of a license agreement by Defendant MDxHealth. A copy of the license agreement (“License”) is attached hereto as Exhibit 1.

JURISDICTION AND VENUE

2. Jurisdiction is conferred on this court pursuant to 28 U.S.C. § 1332 because the amount in controversy exceeds \$75,000 and each of the parties is a citizen of a different State.

3. Plaintiff JHU is a private not for profit corporation organized under the laws of the State of Maryland and has its principal place of business in Baltimore City, Maryland.

4. Upon information and belief, Defendant MDxHealth is a corporation formed in Delaware and registered to do business in Delaware with Department of State, Division of Corporations File Number 3647478.

5. Upon information and belief, MDxHealth’s principal office in the United States of America is at 15279 Alton Parkway, Suite 100, Irvine, California 92618.

6. Jurisdiction is further conferred on this court pursuant to the License.

7. Venue is properly vested in this Court in accordance with 28 U.S.C. § 1391 because the contract that gives rise to the claim was created in Baltimore City, plaintiff JHU resides in Baltimore City, and Defendant is a corporation that has no principal place of business in the State.

FACTS

8. On or about May 17, 2008, JHU and OncoMethylome Sciences SA (“Company”) executed the License.

9. Upon information and belief, in or about 2010, OncoMethylome Sciences SA changed its name to MDxHealth, Inc.

10. The License provided, among other things, that JHU would grant Company JHU's entire right and interest in JHU's patent rights in International Application PCT/US2007/024308, filed on November 20, 2007, entitled "DNA Methylation Markers and Methods of Use."

11. The License provided that MDxHealth would pay JHU a license fee of \$15,000 (fifteen thousand dollars). *See Exhibit 1, Exhibit A.*

12. MDxHealth paid the license fee in accordance with the License.

13. The License also provided that MDxHealth would reimburse JHU within thirty days of the receipt of an invoice from JHU for all costs associated with the preparation, filing, maintenance, and prosecution of patent rights incurred by JHU.

14. In or about July 2015, JHU obtained a patent on the licensed intellectual property on MDxHealth's behalf.

15. In or about October 2015, in accordance with the License, JHU invoiced MDxHealth for \$75,000 as a milestone payment for the issuance of the patent.

16. In or about June 2016, JHU invoiced MDxHealth for \$5,000 as a minimum annual royalty.

17. JHU has also invoiced MDxHealth for a combined \$39,882.36 to reimburse JHU for patent prosecution legal expenses.

18. MDxHealth has not made any payments towards these amounts owed.

19. In or about October 2016, JHU informed MDxHealth that the outstanding balance due as of that date was \$119,629.21 and demanded payment within 30 days.

20. JHU also informed MDxHealth that its failure to pay the outstanding balance constituted a breach of the License and that JHU would terminate the License if MDxHealth failed to cure the breach.

21. Not having received payment from MDxHealth, in or about November 2016, JHU terminated the License for breach.

22. Termination of the license does not relieve MDxHealth of its obligation to make any payments for which it became liable to JHU prior to termination.

23. To date, MDxHealth has not paid JHU the milestone payment, the minimum annual royalty, or the patent prosecution legal expenses (the “Debt”).

24. Under the terms of the License, interest continues to accrue on each late payment.

25. As of the date of filing, the current balance due for the Debt and interest is \$138,588.15.

26. MDxHealth does not dispute that it owes JHU the Debt or the interest thereon.

COUNT I – BREACH OF CONTRACT

27. Plaintiff JHU adopts by reference the allegations contained in paragraphs 1 through 26 of this Complaint with the same effect as if herein fully set forth.

28. Pursuant to the License and in exchange for receiving various benefits from JHU, MDxHealth agreed to pay JHU various fees, including a license fee, minimum annual royalties, running royalties, sublicense consideration, milestone payments, and interest on any late fees, and to reimburse JHU for patent prosecution legal expenses.

29. JHU provided the benefits to MDxHealth as agreed to in the License.

30. MDxHealth has not paid JHU the Debt or the interest thereon.

31. MDxHealth is responsible for the breach in its contractual obligations to pay JHU \$119,882.36 (one hundred nineteen thousand eight hundred eighty-two dollars and thirty-six cents) plus interest in excess of \$18,705.79 (eighteen thousand seven hundred five dollars and seventy-nine cents).

WHEREFORE, Johns Hopkins University demands judgment against MDxHealth, Inc. in excess of \$119,882.36 (one hundred nineteen thousand eight hundred eighty-two dollars and thirty-six cents) plus interest and costs, together with such other relief as the Court may deem proper to award.

Respectfully submitted,

Dated: January 29, 2019

/s
Jennifer DaCosta (Federal Bar No. 19562)
Johns Hopkins University
Office of the Vice President
and General Counsel
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*Attorney for the Plaintiff
The Johns Hopkins University*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 29th day of January, 2019, I caused a true and correct copy of the foregoing to be served via certified mail Restricted Delivery – show to whom, date, address of delivery on:

The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

and

Miriam Reyes
15279 Alton Parkway
Suite 100
Irvine, California 92618

s/ Jennifer DaCosta
Jennifer DaCosta